6.0 Material Returns Focus Team for TIPS

Scope: To determine and prioritize functional requirements for Material Returns. Also to identify management issues, recommend interfaces, and recommend screens.

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Overview:

The person initiating the return of the material to the vendor signs on the system and selects the option *Returning Material To Vendor.* The next screen lists the various purchasing methods to link the outgoing shipment with the acquisition process: *JIT, PO, LVA*, etc., and one is selected. Entering the reference number or other identifier retrieves all pertinent information about the item(s) on the purchasing transaction and other related records such as PAIRS. After selecting the item(s) to be returned and confirming the quantities to be returned, this information is carried to another screen that prompts for required information on the return of each item(s), such as reason for return (tied to a table of options to select).

In response to prompts from the system, financial information related to new costs is validated, warranty information is collected, freight questions are answered; and pickup is scheduled. If the process requires buyer intervention, it is staged and automatically forwarded to the buyer for further action.

When the Buyer tasks are completed, notifications to all BUS organizations participating in the process are sent. Required documentation is generated, including bar-code labels for tracking and shipping labels for the outgoing and return shipments. Updates are sent to all systems requiring updates and status of the process is recorded as various stages occur.

Notifications of status are sent to the initiator of the transaction, if that option is selected. Payment of the outgoing shipment is intercepted, if not already made. When the repaired or replacement item is shipped to the Laboratory, it is processed and all related records are updated and closed. If there is no repaired or replacement item and the item was paid for, funds are collected from the vendor.

Assumptions

- Equipment, goods, and materials purchased with Laboratory funds are Laboratory property
- Documentation of the outgoing shipments of all Laboratory property must exist
- Documentation of the incoming shipments of all Laboratory property must exist
- Property accounting information for controlled property must be current and accurate
- Asset management information must be current and accurate
- Required data about material returns must be transmitted to all current Labwide systems or their equivalent data collection points
- Financial accounting records must be current and accurate
- Options must be provided to process an outgoing shipment of material without purchasing records in the purchasing system
- The shipments of Laboratory property to employees off-site will not be addressed by this team

Primary Requirements:

<u>Required</u>

- On-line real time (no batch processes)
- Confirmation and validation of information and authorities, whenever appropriate
- GUI features that explode to menus that *walk* the user through the process of defining the requirement (JIT, PO, BO, LVA, Buyer-held PC, STORES item return) by choosing options
- Retrieval of all known information (in all supporting systems) about the item to be returned
- If no historical information is available about the item, data collection is accomplished through answers to prompts from the system
- Retrieval of all known information (in all supporting systems) about the customer initiating the process, including financial information for the cost of the return transaction
- Generation of the required documentation to process the return, including required bar-code labels for the outgoing and incoming shipments
- Updating of all associated records to reflect the return transaction
- Notification to BUS-4 to pick up the item for shipment to vendor
- Tracking of the package from point of pickup to outgoing carrier

- Interception of payment, if not already made
- Capability to accept the repaired or replacement item
- Generation of the required documentation to process the incoming shipment of the repaired or replacement item
- Updating of all associated records to reflect the repaired or replacement item
- Closure on the process

Preferred

- Notification to the vendor about the forthcoming shipment
- Notification to the Laboratory about status of the repaired or replacement item
- Notification to the Laboratory about the expected return shipment

Nice-to-have

- Purchasing documentation to include warranty period of each piece of equipment
- Notification to the vendor to return funds, if appropriate

Interfaces:

Management Issues:

- As long as there is a recharge cost associated with outgoing shipments, customers may continue to *go around the system* to save money, regardless of how convenient we make *doing it the right way*.

- Not everyone in the Laboratory has access to online systems. This is due in part to the high cost of connectivity (CIC charges). The Laboratory should reduce the cost of electronic communications.

Total Integrated Procurement System Main Menu	
Initiating a Request for Action	
File | Edit | Appl2 | Appl3 | Appl4 | View | Options | Window | Help	
Customer Profile	Return to Vendor
New Purchase	Invoice Approval
Modification to Order in Progress	Catalog Inquiry
Receiving Report Status	Report Generation

Summary of Screen

This screen is the Main Menu.

Total Integrated Procurement System								
File	Edit	Appl1	Appl2	Appl3	View	Options	Window	Help

Confirmation of information about the transaction

The item will be shipped to

ABC Manufacturing
345 South Park Avenue
Westland, MI 48185
(*system will display address based on system information from purchasing record or address input by customer*)

Have you already contacted the vendor?
Yes   No

Is a Return Material Authorization (RMA) number required? *Enabled only if YES is selected*
Yes   No

Enter the RMA number
Enabled only is YES is selected
xxxxxxxxxx

The item will be
replaced, repaired, returned for full credit
(*system will display customized message based on input from previous screen*)

The following financial accounts will be **credited or charged** (*system will display correct choice*)
xxxxxx xxxx xxxx xxxx
(*system will display numbers based on input from previous screen*)

Where can the item be picked up for shipment?

 Area   Building   DDP

When is it available for pick up?
bÜ>XE••NKFLXVÔZ•\°   (*entered by customer*)

Notification required when item is
 shipped out to vendor
 shipped from vendor
 received at Laboratory
 delivered to DDP

Please click here to cancel

Please click here to confirm

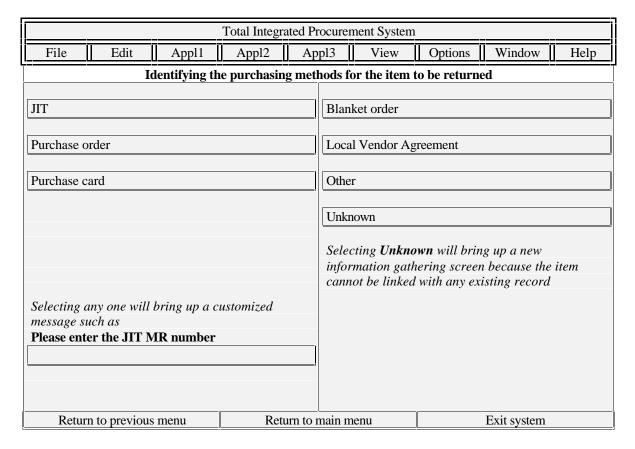| Return to previous menu	Return to main menu	Exit system

Summary Of Screen

- This screen appears if there is no buyer intervention in the process.
- The transaction is forwarded to BUS-4 for action.

_____

Total Integrated Procurement System
File	Edit	Appl1	Appl2	Appl3	View	Options	Window	Help

Completing information about the disposition of the item for return
Selecting an option from previous screen generates this screen

Do you want a replacement item?
Yes   No

If YES, the following question appears
Do you want the same item?

Yes   No

If NO, the following message appears
Enter the part number, if known, and description of the new item

_____
_____
_____
_____
_____
_____

If no replacement item is indicated, the following message appears

You will receive credit (purchase price less applicable restocking charges)

The following financial accounts will be credited:
xxxxxx xxxx xxxx xxxxx

  This is correct.

   Please change to

        ------ ---- ---- ----

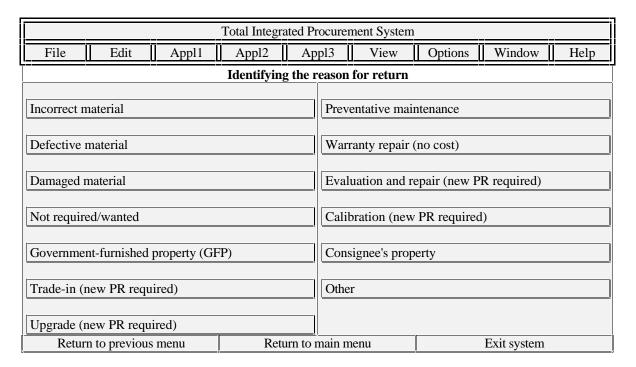| Return to previous menu	Return to main menu	Exit system

Summary of Screen

This screen provides guidance from the customer about the desired results after the item is returned to the vendor.

Total Integrated Procurement System								
File	Edit	Appl1	Appl2	Appl3	View	Options	Window	Help

Identifying the purchasing methods for the item to be returned

JIT	Blanket order
Purchase order	Local Vendor Agreement
Purchase card	Other
	Unknown
	*Selecting **Unknown** will bring up a new information gathering screen because the item cannot be linked with any existing record*
Selecting any one will bring up a customized message such as **Please enter the JIT MR number**	

Return to previous menu	Return to main menu	Exit system

Summary Of Screen

- The purpose of this screen is to identify the purchasing record (source of information) about the item to be returned.
- The goal is to retrieve all known information from the purchasing record to preclude unnecessary data entry and potential errors.
- The next screen is a copy of the purchasing record.
- If the purchasing record includes more than one item, the customer selects the one(s) to be returned; confirms his/her choice(s) and all others disappear from the return transaction.
- The purchasing record either contains property management information or is linked to it to retrieve all related property data, if required.

Total Integrated Procurement System							
File	Edit	Appl1	Appl2	Appl3	View	Options	Window	Help

Identifying the reason for return

Incorrect material	Preventative maintenance
Defective material	Warranty repair (no cost)
Damaged material	Evaluation and repair (new PR required)
Not required/wanted	Calibration (new PR required)
Government-furnished property (GFP)	Consignee's property
Trade-in (new PR required)	Other
Upgrade (new PR required)	

Return to previous menu	Return to main menu	Exit system

Summary Of Screen

- After the customer has selected the item(s) for return from the purchasing record and confirmed the selection, all other items are excluded from the return transaction.
- Because the reason for return is required data, the system will then query the reason for return.
- In addition, the system will query for information about the resolution of the return: replacement item, credit (purchase price less applicable restocking charges), no replacement item, etc. (New screen pops up to collect the data).
- If the reason for the return requires buyer intervention, the process is interrupted. The system flashes a message (e.g., *There may be new cost involved in this transaction. Buyer must negotiate.)*
- The next screen that automatically comes up collects additional information from the customer about notifications, pickup info, etc.
- Then the transaction is forwarded to procurement for action.